REMARKS/ARGUMENTS

Amendments were made to the specification to correct a harmless typographical error. No new matter has been added by any of the amendments to the specification.

Claims 1-19 are pending in the present application. Claims 1-3, 7-10, 14-16, and 19 are amended. Additionally, claim 20 has been added. Support for the amendments can be found in the specification on page 7, lines 1-19, page 17, lines 19-21, and page 12, line 19 through page 13, line 2. No new matter has been added by any of the amendments to the claims. Reconsideration of the claims is respectfully requested.

I.   Request that the Application Be Considered Special

This application, filed on January 16, 2002, has been pending for more than five years. Regarding applications pending more than five years or applications under a third or further action the MPEP provides as follows:

> The supervisory patent examiners should impress their assistants with the fact that the shortest path to the final disposition of an application is by finding the best references on the first search and carefully applying them.
> The supervisory patent examiners are expected to personally check on the pendency of every application which is up for the third or subsequent *>Office< action with a view to finally concluding its prosecution.
> Any application that has been pending five years should be carefully studied by the supervisory patent examiner and every effort >should be< made to terminate its prosecution. In order to accomplish this result, the application is to be considered "special" by the examiner.

MPEP 707.02.

Because this application has been pending for more than five years, Applicants request that this application be considered special by the Examiner. Applicants also request that the Supervisory Patent Examiner carefully study this application and personally consider any future rejections made in this case, as stated by MPEP 707.02. Applicants further request that the Supervisory Examiner make every effort to terminate prosecution either by issuing valid rejections or by allowing the claims.

II.   35 U.S.C. § 112, Second Paragraph

The Examiner rejects claims 1-19 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter, which Applicants regard as the invention. This rejection is respectfully traversed.

With respect to claim 1, the Examiner states the following:

> 5. Claim 1 recites the limitation "the location of the communication device" in line 5 and "the location of the transaction" in line 7. There is insufficient antecedent basis for these limitations in the claim. A location of the communication device or a location of the transaction is not determined in any of the steps. For example, it is not clear that a device ID is used to find a location of a communication device. This is also true for Claims 8 and 14.

> 6. Claim 1 is rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential steps, such omission amounting to a gap between the steps. See MPEP § 2172.01. The omitted steps are: finding a location of the transaction is not in a proper order, one would expect to determine a location of the transaction after receiving a transaction; using the device ID to find a location of a communication device appears to be missing. This is also true for Claims 8 and 14.

Office Action dated June 21, 2007, pages 2-3.

Applicants have amended claims 1, 8, and 14 accordingly to address the lack of antecedent basis rejection. Additionally, Applicants have amended the claims accordingly to use the device identification in finding the location of the communication device as suggested by the Examiner.

In response to the Examiner's rejection on the grounds that the steps of the claims are not in a proper order, Applicants assert that the steps of the claims do not recite nor require a particular order. The specification clearly states the steps may be performed in any order. (*See*, Specification, page 17, lines 2-3, "Steps 308 and 310 can be performed in any order.") Additionally, the MPEP states:

> *Altiris Inc. v. Symantec Corp.*, 318 F.3d 1363, 1371, 65 USPQ2d 1865, 1869-70 (Fed. Cir. 2003) (Although the specification discussed only a single embodiment, the court held that it was improper to read a specific order of steps into method claims where, as a matter of logic or grammar, the language of the method claims did not impose a specific order on the performance of the method steps, and the specification did not directly or implicitly require a particular order).

MPEP, Section 2111.01.

The above section of the MPEP states that it is improper to read a specific order of steps into method claims where, as a matter of logic or grammar, the language of the method claims did not impose a specific order on the performance of the method steps. Thus, the Examiner's rejection to claims 1-19 under the grounds that the steps of the claims are not in a proper order is in error. Therefore, the rejection of claims 1-19 under 35 U.S.C. § 112, second paragraph has been overcome.

III. 35 U.S.C. § 103, Obviousness

The Examiner rejects claims 1-19 under 35 U.S.C. § 103 as obvious over *Suzuki*, Method and System to Prevent Fraudulent Payment in Credit/Debit Card Transactions, and Terminals Therefor, U.S.

Patent 6,612,488 (September 2, 2003) (hereinafter "*Suzuki*") in view of *Joao* et al., <u>Financial Transaction</u> <u>and/or Wireless Communication Device Authorization, Notification and/or Security Apparatus and Method,</u> U.S. Patent Application Publication 2001/0051920 (December 13, 2001) (hereinafter "*Joao*"). This rejection is respectfully traversed.

   With respect to claim 1, the Examiner states the following:

> <u>Regarding claims 1, 8 and 14:</u>
> Method for authorizing transactions against an account comprising:
>> **Suzuki discloses:**
>> **Fig. 4, ref. 400 provides a "Transaction Authorization Computer" which has access to card information, ref. 432, which includes a card number. The card number would identify an individual account, as shown in Fig. 5.**
>
> receiving a transaction comprising a request for authorization to charge an amount against the account;
>> **"Upon receiving a request for credit administration from the member store transaction terminal 300, the transaction processor 420 of the transaction authorization computer searches the database with the card number, checks for a "report of loss or theft", and compares the transaction amount with the amount available for purchases ..." (col. 11, lines 58-65).**
>
> retrieving a communication device ID for a device associated with the account;
>> **a "... cellular phone 100 registered in the card transaction system has a location information detection function." (col. 11, lines 32-35). The registered cellular phone is therefore a communication device with an ID.**
>
> determining the location of the communication device;
>> **"In the present embodiment, the cellular phone system, including wireless network 600, provides a location information detection service. Wireless network 600 comprises a location information host computer for detecting the location of cellular phone 100. Location detection uses, for example, a method of finding the current location from the relative positions of cellular phone 100 and three base stations, such as are used in PHs (Personal Handyphone System), or a method of finding the current location with a GPS (Global Positioning Satellite) system using artificial satellites." (col. 11, lines 39-49).**
>
> determining the location of the transaction;
>> **"The location information host computer detects the current location information for the cellular phone in response to the detection request from transaction authorization computer 400." (col. 12, lines 14-17);**

comparing the location of the transaction with the location of the device; and

> **"Transaction authorization computer 400 then compares this information with the current location information for the cellular phone and calculates the distance." (col. 12, lines 29-31).**

processing the request.

> **"When the results of the credit administration request are that "card use is allowed", transaction terminal 300 continues with the transaction processes, such as the issuing of the bill, using the received transaction authorization number and the user validation process." (col. 12, lines 43- 48).**

> **While Suzuki, in the business of credit authorization, provides for using wireless means to detect fraud, and provides detail information for various system and product components, he does not provide details, for example, of a generic point of- sale device, central processing computer, or a communication device. Joao et al., in the same field of endeavor of providing credit authorization using wireless means, provides such detail as a generic point-of-sale device, central computer, and a communication device (Fig. 2). Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to provide such a system and product components, motivated by Joao et al., and that such a system could be used to provide, for example, location information to generic, communication devices and would therefore expand the capabilities of the system and components.**

Office Action dated June 21, 2007, pages 4-5 (emphasis in original).

The Examiner bears the burden of establishing a *prima facie* case of obviousness based on prior art when rejecting claims under 35 U.S.C. § 103. *In re Fritch*, 972 F.2d 1260, 23 U.S.P.Q.2d 1780 (Fed. Cir. 1992). Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness. *KSR Int'l. Co. v. Teleflex, Inc.*, No. 04-1350 (U.S. Apr. 30, 2007) (citing *In re Kahn*, 441 F.3d 977, 988 (CA Fed. 2006)). Additionally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974).

Amended claim 1 is as follows:

> 1.   A computer implemented method for authorizing transactions against an account comprising:
>   receiving a transaction comprising a request for authorization to charge an amount against the account;
>   retrieving a communication device identification for a communication device associated with the account;
>   determining a first location of the communication device using the communication device identification ;
>   determining a second location of the transaction;

comparing the second location of the transaction with the first location of the communication device; and

responsive to receiving an instruction from a user associated with the account, authorizing the request when the second location and the first location are different.

No *prima facie* obviousness rejection can be stated against amended claim 1 because neither *Suzuki* nor *Joao* teach or suggest all features of amended claim 1. Applicants first address the teachings of *Suzuki*. *Suzuki* does not teach or suggest the amended feature "responsive to receiving an instruction from a user associated with the account, authorizing the request when the second location and the first location are different" as recited in amended claim 1.

Suzuki states the following:

> In this way, credit administration is carried out such that the location information for the cellular phone is used as the current location of the valid card user and is compared with the location information at the member store. If the difference between the location information is within a set value, it is determined that this card is being used by a valid cardholder; and if the difference between the location information is greater than a certain distance, it is determined that use of the card is fraudulent. Fraudulent use of the card through the loss or theft of the card or through the theft of card information can thereby be prevented.

Suzuki, column 2, lines 51-62.

The above portion of *Suzuki* states "if the difference between the location information is greater than a certain distance, it is determined that use of the card is fraudulent." *Suzuki* teaches not authorizing the request if the location of the user is greater than a certain distance from the member store to prevent fraudulent use. Thus, *Suzuki* does not teach authorizing the request when the second location and the first location are different as recited in amended claim 1. *Suzuki* also does not suggest otherwise. Therefore, *Suzuki* does not teach or suggest all the features of amended claim 1.

Additionally, *Joao* does not teach or suggest the above-recited feature of amended claim 1. *Joao* teaches a method for notifying an account holder of a transaction request. Specifically, *Joao* states the following:

> [0148] At step 37, the central processing computer 3 will then also transmit respective signals and/or data to any one or more of the cardholder's designated fax machine 5, personal computer or personal digital assistant 6, telephone 7, telephone answering machine 8, alternate telephone 9, alternate telephone answering machine 10, network computer 11, and/or alternate beeper 12 or alternate pager 13.
>
> [0149] The information and/or data which is transmitted to the communication device 4 includes information and/or data identifying the transaction and may include the name of the store or the service provider and the amount of the transaction. The information and/or data may also provide the time of the transaction, the location (i.e. city, town, village, state, country etc.) of the transaction. The information and/or data may also include the phone number

of the central processing office and/or computer servicing the account so that the cardholder may telephone same in order to authorize or cancel the transaction. The information and/or data may also be supplemented to include the type of goods and/or services involved in the transaction, if such information can be entered at the point-of-sale device 2.

Joao, paragraphs 0148 and 0149.

The above portion of *Joao* states that a cardholder is notified of the details associated with a transaction request. The notification may be transmitted to one or more devices as indicated in paragraph 0148. The cardholder may then authorize or cancel the transaction.

However, *Joao* does not teach the recited features of amended claim 1. In particular, *Joao* does not teach "responsive to receiving an instruction from a user associated with the account, authorizing the request when the second location and the first location are different" as recited in amended claim 1. *Joao* does not teach determining a first location of a communication device associated with the account holder, a second location of the transaction, and a comparison between the first and the second location. Because *Joao* fails to teach any of these features, *Joao* does not teach or suggest the amended feature "responsive to receiving an instruction from a user associated with the account, authorizing the request when the second location and the first location are different" as recited in amended claim 1.

Accordingly, because neither *Suzuki* nor *Joao* teach or suggest all of the features of amended claim 1, the proposed combination of *Suzuki* and *Joao* when considered as a whole does not teach or suggest all of the features of claim 1. Therefore, no *prima facie* obviousness rejection can be stated against amended claim 1.

Additionally, no prima facie obviousness rejection can be stated against the additional features of amended claim 7. Amended claim 7 is follows:

> 7.   The method of claim 1 wherein the instruction substitutes a designation for the second location of the transaction with a predefined location, and wherein the predefined location is different from the second location.

The Examiner states the following in regards to claim 7:

> <u>Regarding claims 7 and 19:</u>
> The method of claim 1 further comprising substituting the location of the transaction with a predefined location.
> > <u>Suzuki discloses:</u>
> > "Transaction authorization computer 400 receives the results of the cellular phone location information detection, and, when the location information could be successfully acquired, the <u>computer searches the member store information, stored in the database based on the member store number, for the location information</u> in latitude and longitude format for the member store." (col. 12, lines 22-29).

Office Action dated June 21, 2007, page 6.

The above portion of *Suzuki* teaches determining the location of the member store by searching for the member store information in a database using a member store number. *Suzuki* does not teach **substituting** the location of the member store with another location. Applicants have amended claim 7 to clarify that the predefined location is a different location than the location of the member store. Because *Suzuki* purely identifies the location of the member store and does not teach substituting the member store location with a different location, *Suzuki* also does not suggest the additional features of amended claim 7.

Additionally, *Joao* does not teach or suggest the additional features of amended claim 7. The Examiner does not assert otherwise.

Furthermore, because claims 8 and 14 recite amendments similar to claim 1, the same distinctions between the cited references *vis-à-vis* claim 1 applies to these claims. Because the remaining claims depend from claims 1, 8, and 14, respectively, no *prima facie* obviousness rejection can be stated against the remaining claims. Thus, under the standards of *In re Royka*, no *prima facie* obviousness rejection can be stated against claims 1-20. Therefore, the rejection of claims 1-19 under 35 U.S.C. § 103 has been overcome.

IV.   Conclusion

The subject application is patentable over the cited references and should now be in condition for allowance. The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

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